

**CITY OF TAYLORSVILLE
CITY COMMISSION
SPECIAL MEETING**

February 28, 2011

The City of Taylorsville City Commission held a Special Meeting on Monday, February 28, 2011 at 4:00 p.m., at the City Hall Annex.

Present were:
Don Pay, Mayor
Beverly Ingram, Commissioner
Nathan Nation, Commissioner
Kathy Spears, Commissioner
Larry Walldridge, Commissioner

Staff present:

John Dale Jr., City Attorney
Randy McConnell, City Treasurer

Steve Biven, City Clerk
Harold Compton, Public Works Director

Item #1

Mayor Pay called the meeting to order at 4:00 p.m.

Item #2 – *Review of Summary Addendum*

Mike Maggard, with Sisler-Maggard Engineering, gave an overview of the Summary Addendum process and their findings. Commissioner Nation suggested that the budget used to determine cash flow and pay debt service contain other options than merely passing on a rate increase in full. Commissioner Ingram expressed her concern for the need of “cash” in uncertain economic times. Commissioner Spears wanted to be cautious about spending down cash reserves not knowing the future cost of operating a sewer department.

Motion made by Commissioner Nation to pay off the 2001 RD Revenue Bond and maintain the same budget level to the point where the bill for the average customer is approximately \$26. The motion died for lack of a second.

Further discussion continued.

The Commission recessed at this time.

After further discussion, Commissioner Ingram made a motion to not pay off any debt and to establish a rate structure that reflects a cost of \$32.33 for the average customer, due to the Division of Water’s directive to build a wastewater treatment plant expansion. The motion died for a lack of a second.

Commissioner Spears expressed concern over the loss of LMI status and the affect that will have in the future on our borrowing cost. Mayor Pay was concerned about the size of any proposed increase and suggested that we should try to correct the water loss situation.

Motion made by Commissioner Nation to pay off the 2001 RD Revenue Bond and to go with the Sisler-Maggard Engineering rate structure reflecting a \$26.43 cost for average customers. The motion died for lack of a second.

Motion made by Commissioner Spears and seconded by Commissioner Ingram that due to the unknown cost of starting a new sewer department and with the understanding that the city will re-evaluate paying off debt once such cost are more definite, so move to accept recommendation of Sisler-Maggard Engineering in their Summary Addendum Proposal that reflects a cost of \$32.33 for the average customer using 4,445 gallons, (without paying off any previous loans). Commissioner Spears, Commissioner Waldrige and Commissioner Ingram voted in favor. Mayor Pay and Commissioner Nation opposed. Motion carried 3-2.

Item #3 – Awarding of Bid for Wastewater Treatment Plant

Motion made by Commissioner Ingram and seconded by Commissioner Waldrige to award the bid for construction of the new wastewater treatment plant expansion to Pace Contracting in the amount of \$2,700,000. Motion carried 5-0.

ADJOURN TO EXECUTIVE SESSION

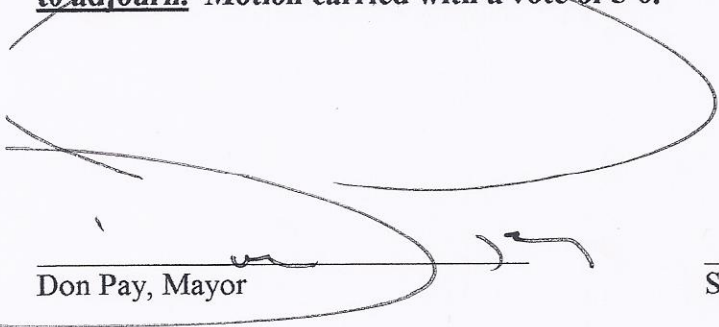
Item #4 - Motion made by Commissioner Spears seconded by Commissioner Nation to adjourn to Executive Session under provisions of KRS 61.810 1) (c) Discussions of proposed or pending litigation against or on behalf of the public agency (f) Discussions or hearings which might lead to the appointment, discipline, or dismissal of an individual employee. Motion carried with a vote of 5-0.

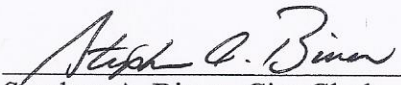
RETURN TO OPEN SESSION

Item #5 - Motion made by Commissioner Spears and seconded by Commissioner Ingram return to Open Session. Motion carried with a vote of 5-0.

ADJOURN MEETING

Item #6 - Motion was made by Commissioner Spears and seconded by Commissioner Ingram to adjourn. Motion carried with a vote of 5-0.


Don Pay, Mayor


Stephen A. Biven, City Clerk